

VIRGINIA DEPARTMENT OF HEALTH  
DRINKING WATER  
FINANCIAL AND CONSTRUCTION ASSISTANCE PROGRAMS (FCAP)

**RETURN TO:** Thomas B. Gray, P.E.  
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Office of Drinking Water  
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Richmond, VA 23219  
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www.vdh.virginia.gov/dw

**Note: This is printed on Cream color paper.**

**Note: Submit this application and all materials plus one copy of everything.**

APPLICATION FOR CONSTRUCTION FUNDS – Year Round Submittals Accepted.

**SECTION A – PRE-REQUIREMENTS**

1. Are you either a community or non-profit noncommunity waterworks? \_\_\_\_Yes \_\_\_\_No
2. Source – Do you have an adequate drinking water source or source agreement contract? \_\_\_\_Yes\_\_\_\_ No. If yes, provide documentation from VDH's Drinking Water field office that the source or contract is adequate. \_\_\_\_ Not Applicable as project is for new well.
3. User Agreements for new service areas customers – Do you have from your initial survey, executed agreements or commitments from at least a majority of the customers in the project area? \_\_\_\_ Yes \_\_\_\_ No. If so, please provide an area map indicating existing potential connections and indicating those committed. NOTE: Mandatory hook-up ordinance does not substitute for obtaining agreements or commitments to connect.
4. Income and property valuation in project area – (A) Is this project large enough to be identifiable via census information? If so, please provide the project mapping marked to show census block/tract etc. information. (B) If not identifiable via A, does initial survey contain income information? \_\_\_\_ Yes \_\_\_\_ No. Does your initial survey contain tax map information? \_\_\_\_ Yes \_\_\_\_ No
5. Do you have a PER or letter waiving it by VDH's Drinking Water Field Office? \_\_\_\_ Yes \_\_\_\_ No.

If you answered No to any of the above – STOP as you are not ready to apply for construction funds. **Please contact us to work with you on planning the project.**

**SECTION B - ORGANIZATIONAL DATA**

1. Legal Applicant/Owner of waterworks
  - a. Name of Applicant: \_\_\_\_\_
  - b. Applicant Address: \_\_\_\_\_  
\_\_\_\_\_
  - c. Contact Person: \_\_\_\_\_
  - d. Telephone Number: \_\_\_\_\_ FAX Number: \_\_\_\_\_ E-mail Address: \_\_\_\_\_
  - a. Project Name: \_\_\_\_\_ Location (City/County) \_\_\_\_\_
2. Waterworks type:
 

Publically-owned community	PWS ID number: _____	System Name _____
Investor-owned community	PWS ID number: _____	System Name _____
Nonprofit noncommunity	PWS ID number: _____	System Name _____
None of the above	_____	

**SECTION C – REQUIRED ATTACHMENTS – Please check those attached and label your attachments with corresponding numbers (i.e. C-1, C-2, etc.).**

1. Other Funds Available
2. Refinance savings (if applicable)

**SECTION C (Cont'd)**

3. Outstanding debt amount and with whom
4. Project issue documentation
5. Median Household Income
  - includes site income surveys if census information not at project level.
6. Controlling Board Authorization
7. VDH's 4 page Construction Project Schedule
8. Results of user agreement/commitment initial survey with project map
9. Adequate drinking water source or source agreement contract – VDH approved.
10. Preliminary Engineering Report or VDH-Office of Drinking Water letter waiving this requirement.
11. Explain status of necessary permits (401/404, VPDES, Groundwater withdrawal, etc.)
12. Current rate schedule for water and sewer and connection fee for water and date of last increase.
13. Monthly average of residential water usage
14. List of 10 largest sewer users and estimated monthly flows per user
15. Listing of 10 largest water users and estimated monthly consumption per user
16. Basis for O, M & R cost for proposed project and existing system
17. One copy of the latest interim (unaudited) financial statement.
18. One copy of the current year budget.
19. One copy each of the three most recent annual audits (or Tax Returns for individuals).
20. For the proposed project – a six-year cash flow analysis of revenue -using VDH project only template- and expenses (operating budget) showing as a bottom line funds available for debt service.
21. For the entire waterworks including proposed project(s) – a six year cash flow analysis –using VDH overall waterworks template- of revenue and expenses (operating budget) showing as a bottom line funds available for debt service.
22. Certification Regarding Lobbying

**SECTION D - CONSULTING ENGINEER – If applicable**

- a. Firm Name: \_\_\_\_\_
- b. Firm Address: \_\_\_\_\_  
\_\_\_\_\_
- c. Project Manager/Engineer: \_\_\_\_\_
- d. Telephone Number: \_\_\_\_\_ FAX Number: \_\_\_\_\_ E-mail Address: \_\_\_\_\_

Submittal of this application is only a starting point for discussion and is not a binding agreement on either party.

Incomplete information may result in the delay or rejection of the application request.

The undersigned representative of the applicant certifies that the information contained herein and the attached statements and exhibits are true, correct and complete to the best of their knowledge and belief. The undersigned agrees to clarify or supplement information pertaining to this application upon request. **The undersigned acknowledges that a part of any interest required on a closed loan can be used by VDH to support the drinking water program.**

**Chief Administrative Officer of Applicant:**

NAME and TITLE: \_\_\_\_\_

\_\_\_\_\_

SIGNATURE : \_\_\_\_\_ DATE: \_\_\_\_\_

(Note: Sign and Submit the “Certification Regarding Lobbying “)

**SECTION E – PROPOSED PROJECT DESCRIPTION – Provide Documentation**

Please provide a brief summary and a detailed project description including a map/sketch depicting the project area and proposed facilities including length of waterlines, storage tank(s) sizes, etc. (Sketches on 8 ½ by 11 portions of topo sheets are adequate.)

**I. Brief Summary – 3 sentences or less for each A, B, and C.**

**A. Briefly describe the problem to be corrected.**

**B. Briefly describe the proposed project by size (diameter, volume, pump capacity) and units (linear feet for pipe and number for tanks and pump stations).**

**C. Briefly describe how this project will be of benefit.**

**II. Demographics**

**A. Describe income levels in the proposed project area.**

**B. Describe who benefits from the proposed project.**

**C. Describe the type number and stories of structures (primary residences, vacation homes, industrial buildings, etc.) and amount of vacate land. For small projects (less than 75 homes), provide tax map information showing parcel number, owner, and valuation.**

**SECTION F - PROPOSED FINANCING**

1. Construction Funding for this Project

a. VDH Funding Assistance Needed \$\_\_\_\_\_

b. Other Funds Available: – **Provide Documentation**

<u>Source Dollars</u>	<u>Source Name</u>	<u>Status of Securing Other Funding</u> (approved, pending, indicate loan terms, and date available, etc.)
1a. grant _____	_____	_____
b. loan _____	_____	_____
2a. grant _____	_____	_____
b. loan _____	_____	_____
3a. grant _____	_____	_____
b. loan _____	_____	_____
4a. grant _____	_____	_____
b. loan _____	_____	_____
5a. grant _____	_____	_____
b. loan _____	_____	_____

Subtotal: \_\_\_\_\_

c. Total Project Cost (1a + 1b) = \$\_\_\_\_\_

2. a. Is this a request for refinancing? \_\_\_\_\_ Yes \_\_\_\_\_ No.

b. If yes, what will be the interest savings? **Provide documentation.**

c. Who issued this debt? \_\_\_\_\_

d. Origination date of the debt obligation to be refinanced \_\_\_\_\_ (Must be after July 1993 to qualify).

3. Type of security applicant anticipates giving for the loan:

[Check Appropriate Type(s)]

\_\_\_\_\_ Pledge of Revenue of the Water System Only

\_\_\_\_\_ Pledge of Revenue of Water and Sewer System

\_\_\_\_\_ General Obligation of the Locality

\_\_\_\_\_ Other – Describe: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

4. Do you have any outstanding debt related to the water and sewer system? \_\_\_\_\_ If yes, have you requested that new debt be issued on parity with the old? \_\_\_\_\_ Provide documentation of the debt amount and who issued the debt.

**SECTION G - PROJECT ISSUES – Provide documentation of each yes answer.**

Presented here are relative issues that need consideration for construction projects:

1. Health Issues	<u>Yes</u>	<u>No</u>
Is there a <i>Surface Water Treatment Rule</i> violation, i.e., inadequately treated surface water or groundwater under the influence of surface water?	_____	_____
Are there persistent <i>Total Coliform Rule</i> or nitrate standard violations?	_____	_____
Is there a continuing <i>Boil Water Notice</i> ?	_____	_____
Is there a Health Hazard declaration by the State Health Commissioner or have you been issued an Administrative Order?	_____	_____
Are there inadequate individual water supplies documented via report and letter by the District Health Director to show health hazards? Attach supporting report and data with representative samples from at least 25% of the homes in the project area. The samples are to be evenly spaced and all potential line segments are to be sampled. The project map will illustrate the results and problem areas.	_____	_____
Are there persistent PMCL violations for contaminants such as VOC, SOC, IOC, RAD etc.?	_____	_____
Are there Lead and Copper Action Levels Exceedances?	_____	_____
Is the waterworks in Significant Noncompliance (SNC)?	_____	_____
Will the project resolve conditions of inadequate quality and quantity of a groundwater source water supply?	_____	_____
Will the project ensure that drinking water receives appropriate treatment as needed to protect the health of the consumers?	_____	_____
Will the project prevent conditions favoring the entrance of contaminants into the distribution system, e.g., inadequate pressure, inadequate storage, system leakage, etc.	_____	_____
<p>2. Median Household Annual Income of area to be served _____ Use the census block or latest update for county/city/towns. Provide project specific income survey data for those projects not large enough to be identifiable via census information.</p> <p>If you have applied or will apply to other funding agencies that require an income survey, attach the results to this application. For efficiency consider doing income and user agreement surveys at the same time.</p>		

**Provide Documentation of Basis/Referenced Source:**

3. Regionalization – Will this project consolidate non-complying waterworks? Explain below:
4. Readiness to proceed
- (a) **Please provide documentation that your controlling board, council, president, etc. has approved this project submittal.**
- (b) New construction timeline – To provide these answers, USE and submit the attached Construction Project Schedule.
- (c) For new service area customers, please document number of user agreements or commitments obtained in initial survey \_\_\_\_\_; \_\_\_\_\_ residential, \_\_\_\_\_ other. **This initial survey must obtain executed agreements or commitments from at least a majority of the homes in the project area. Continuation of the initial survey is a requirement and the final survey result is intended to obtain 80% or more for the project to be feasible from a positive cash flow perspective. Attach project map indicating existing potential connections and indicating those committed. NOTE: Mandatory hook-up ordinance does not substitute for obtaining agreements or commitments to connect.**

**SECTION G (Cont'd)**

- (d) Provide documentation that an adequate drinking water source or source agreement contract is available and that VDH Field Office has approved. The source agreement contract can be contingent on VDH approving the project construction.
- (e) Please provide a copy of either the Preliminary Engineering Report or VDH-Office of Drinking Water letter waiving it as a technical requirement for the project.
- (f) **Explain** status of necessary permits (401/404, VPDES, Groundwater withdrawal, etc.)
- (g) Project Implementation and Disbursement Schedule after loan closing (estimate quarterly disbursements).

		Quarters**								
	Start Construction	1	2	3	4	5	6	7	8	Complete Construction
Dates										
Dollars	*									

\* Preconstruction Costs (Legal, Design Fees, etc.)

\*\* Sequential Quarters As Needed – add more if needed.

**SECTION H -STATISTICAL DATA****1. Water Users: - Provide Documentation**

- a. Existing number of total connections: \_\_\_\_\_ and population \_\_\_\_\_.
- b. Existing number of residential connections \_\_\_\_\_ and population \_\_\_\_\_.
- c. Projected number of residential connections after project \_\_\_\_\_ and population \_\_\_\_\_.
- d. Projected total connections of the project \_\_\_\_\_ and population \_\_\_\_\_.

**2. Individual water meters are on:**

\_\_\_\_\_ all services

\_\_\_\_\_ only commercial accounts

\_\_\_\_\_ only residential customers

\_\_\_\_\_ none are metered. If none are metered, is metering included in this project? \_\_\_\_yes \_\_\_\_no

Explanatory statement, if appropriate:

**3. Rates:**

- (a) Existing monthly charges (explain here; **attach rate schedule**):

Water

Sewer

**SECTION H (Cont'd)**

(b) When were rates last increased? **Please provide dates and amount/percentage of increase.**

Water

Sewer

(c) What is your connection fee for water?

(d) What is the monthly average number of gallons of water used per residential connection? \_\_\_\_\_ gallons/month. **Provide documentation.**

(e) Are rate increases anticipated as a result of this project? yes \_\_\_\_; no \_\_\_\_\_. If yes, please provide the amount and percentage increase expected and the anticipated effective date for the increase(s).

4. Sewer Users

a. Service Area Jurisdictions	b. # of Existing Residential Connections	c. # of Project Residential Connections At Completion of Construction
_____	_____	_____
_____	_____	_____
_____	_____	_____

d. As an **Attachment**, identify Ten (10) Largest Users of the Sewer System and Estimated Monthly Flows per user.

5. Water Users

a. Service Area Jurisdictions	b. # of Existing Residential Connections	c. # of Project Residential Connections At Completion
_____	_____	_____
_____	_____	_____
_____	_____	_____

d. Existing drinking water usage \_\_\_\_\_ gpd  
 \_\_\_\_\_ % residential                      \_\_\_\_\_ % nonresidential

e. As an **Attachment**, identify Ten (10) Largest Users of the Water System and Estimated Monthly Consumption per user.



**SECTION I – CONSTRUCTION PROJECT BUDGET INFORMATION** – From PER based on existing PWS's financial statements

- |   |          |
|---|----------|
| 1. Administration, Legal Expense        | \$ _____ |
| 2. Land, Right-of-Way                   | \$ _____ |
| 3. Architectural Engineering Basic Fees | \$ _____ |
| 4. Other Architectural Engineering Fees | \$ _____ |
| 5. Project Inspection Fees              | \$ _____ |
| 6. Other (Explain) _____                | \$ _____ |
| 7. Treatment Plant Construction         | \$ _____ |
| 8. Pump Station Construction            | \$ _____ |
| 9. Distribution System Construction     | \$ _____ |
| 10. Storage Tank Construction           | \$ _____ |
| 11. Equipment Purchase/Installation     | \$ _____ |
| 12. Contingencies _____ No more than 5% | \$ _____ |
| 13. TOTAL                               | \$ _____ |

**SECTION J – FINANCIAL DATA**

1. Annual Operation, Maintenance and Replacement (O, M & R). Estimated Cost for Proposed Facilities:-From PER based on existing PWS's financial statements

- |                           |          |
|---------------------------|----------|
| a. Labor                  | \$ _____ |
| b. Utilities              | \$ _____ |
| c. Materials              | \$ _____ |
| d. Water Purchases        | \$ _____ |
| e. Outside Services       | \$ _____ |
| f. Miscellaneous Expenses | \$ _____ |
| g. Equipment Replacement  | \$ _____ |
| h. Total O, M & R Cost    | \$ _____ |

**Provide Documentation for basis of estimate** (i.e. financial statements)

2. Estimated Annual Water Facilities Costs - From PER based on existing PWS's **Financial Statements**

- |   |          |
|---|----------|
| a. Net O, M & R (for existing water facilities)<br><b>USE Financial Statements</b>  | \$ _____ |
| b. Existing Annual Debt Service for water system<br><b>USE Financial Statements</b> | \$ _____ |
| c. O, M & R for Proposed Facilities   | \$ _____ |
| d. Total (Sum of a+b+c)   | \$ _____ |

3. Sources of Residential and Nonresidential Revenues as a Percentage of Total Annual Water Revenue

- |                          |
|--------------------------|
| a. Residential _____%    |
| b. Nonresidential _____% |

4. For the proposed project - **Provide** a six-year cash flow analysis -using VDH project only template- of revenue and expenses (operating budget) showing as a bottom line the funds available for debt service.

For the entire waterworks - **Provide** a six-year cash flow analysis – using VDH overall waterworks template- of revenue and expenses (operating budget).